



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 26, 2000

To: [REDACTED]

Thru: Susan M. White, Acting Permit Supervisor *SW by SD*

From: Peter H. Hess, Reclamation Specialist III *PHH*

Re: Technical Field Visit, REI Compressor Station Site, Adjacent to Soldier Canyon Mine,
[REDACTED]

Other Attendees: None

Date & Time: September 22, 2000; 10:40 AM to 11:20 AM

PURPOSE: To investigate a complaint aired to the UDNR/OGM, Salt Lake Office about the recovery of an old oil tank and the burying of oil contaminated soil adjacent to Soldier Creek.

OBSERVATIONS:

Resource Enterprises, Inc., a company who assists in the degasification of coal beds for the purpose of enhancing the extraction of coal via underground methods, assisted Soldier Creek Coal Company during the mid-1980's by building the REI compressor station to enhance extracted methane gas for the purpose of selling it to, what is now, Questar. The site has not seen use for many years.

The Division of Oil, Gas, and Mining made a determination during the mid-80's that the methane extraction was not related to the extraction of coal, and as such, could not be regulated by the Division through the R645 coal rules.

This individual, through representatives of Canyon Fuel Company, has worked with that permittee to attempt to get the REI compressor site area reclaimed. CFC personnel have indicated that the site will never be used again for its originally intended purpose.

REI, through an outside contractor (Newman Contracting, Price, Utah), has reclaimed the compressor station and plugged the connections to the Mine workings. A compressor oil/condensate tank was removed. Mr. Dale Evans, who is the REI project manager, informed me about the compressor tank several weeks ago. According to Mr. Evans, the tank had leaked over several years, and there was quite a bit of oil contaminated soil surrounding the tank and its concrete retention vault.

It should be noted here that the REI compressor site is outside of the Mine's disturbed area perimeter on surface owned and managed by the U. S. Department of Interior, Bureau of Land Management.

On September 22, 2000, an anonymous telephone call was received by Mr. Dave Darby at the UDNR/OGM/SLO. Mr. Dave Darby informed the Division that REI was intending to bury oil contaminated soils. A visit to the site at approximately 12 PM on 9/22/00 verified that the tank/vault had been extracted; there was no odor or any other evidence (soil discoloration) that oil-contaminated soil remained. Photographs were taken. At this point, it appeared that the citizen complaint was a false alarm.

On September 25, 2000, during the UDNR/OGM Monday morning staff meeting, Peter Hess was instructed to contact Mr. Dave Ariotti at the Southeastern Utah District Health Department about the tank situation. This was done at about 10 AM on that day. Mr. Ariotti already knew of the situation, but it was discussed further.

At 8 PM on 9/25/00, Mr. Dale Evans, REI Project Manager, was questioned about the complaint. He added the following information.

- 1) More contaminated soil exists in the bottom of the pit, but it is covered by some dirt which collapsed from the sides of the hole.
- 2) REI is intending to excavate more, (up to 90 cubic yards if necessary) to remove the remaining contamination; however they are already \$3000 over budget. Dan Bruner, President of REI, is in a difficult financial situation, and may have to go after Western Natural Gas (who was involved during the coal bed methane degasification process when Soldier Canyon Mine was operating) to obtain additional funding to complete the project. This will obviously involve a law suit, attorneys, etc. The amount of contaminated soil remaining at this point may be minimal or otherwise. No one really knows until additional excavation can occur.

- 3) At this point, REI intends to back fill the hole to remove the hazard of someone potentially falling into same.

RECOMMENDATIONS/CONCLUSIONS:

It appears, up to this point, that REI has done a quality job on the reclamation of the compressor site. However, additional work is needed to excavate contaminated soils, the extent of which is unknown at this point. REI is in financial difficulty and has to sue to obtain additional funds to complete this portion of the job, as well as remove the channel crossing (REI culvert).

REI intends to backfill the pit to eliminate hazards to the public and/or wildlife. If REI fails to obtain additional funding, the job will have to remain as is, or another source of funding will have to be obtained to finish the soil extraction as well as the REI culvert removal.

As noted above, this reclamation project is not within the jurisdiction of the UDNR/OGM. Mr. Dave Ariotti, P.E., with the Southeastern Utah Health Department, Department of Environmental Quality (DEQ) has been contacted by the Division and is aware of the situation. It appears that the remaining details of this project must be worked out by the BLM, DEQ, and REI.

This concludes this report.

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cc: Rick Olsen, Canyon Fuel
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